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UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re:			
	Carthage Livestock, Inc.,)	P. & S. Docket No. D-09- 2 0159
	D 1) .	
	Respondent)	Complaint

There is reason to believe that the Respondent has willfully violated the Packers and Stockyards Act, 1921, as amended and supplemented (7 U.S.C. § 181 et seq.), hereinafter referred to as the "Act", and the regulatory guidelines promulgated thereunder by the Secretary of Agriculture (9 C.F.R. § 203.2 et seq.), hereinafter referred to as the "regulatory guidelines", and therefore, this Complaint is issued alleging the following:

Ι

- (a) Carthage Livestock, Inc., hereinafter referred to as the Respondent, is a Illinois corporation whose principal place of business is located at 1300 Wabash Avenue, Carthage, IL 62321, and whose business mailing address is P.O. Box 414, Carthage, IL 62321-3175
 - (b) The Respondent is and at all times material herein was:
- (1) Engaged in the business of operating a posted stockyard in Carthage, Illinois, subject to the provisions of the Act;
- (2) Engaged in the business of a market agency selling livestock in commerce on a commission basis; and
- (3) Registered with the Secretary of Agriculture as a market agency selling livestock on commission, and as a dealer buying and selling livestock

- (a) On December 7, 2007, Respondent received a notice that operating while insolvent violates 7 U.S.C. § 204 (which supplements the Act) and that a review of Respondent's balances as of September 30, 2007, had revealed current assets of \$143,952.53 and current liabilities of \$243,406.32, an excess of current liabilities over current assets of \$99,452.79.
- (b) The Respondent's financial condition fails to meet the requirements of the Act, as supplemented, in that:
- (1) As of December 31, 2007, Respondent had current liabilities that exceed its current assets. Respondent had current assets of \$169,129.05 and current liabilities of \$236,988.58, resulting in an excess of current liabilities over current assets of \$67,859.53.
- (2) As of February 29, 2008, Respondent had current liabilities that exceed its current assets. Respondent had current assets of \$144,241.38 and current liabilities of \$235,444.94, resulting in an excess of current liabilities over current assets of \$91,203.56.
- (c) Respondent operated while insolvent between December 31, 2007 and February 29,2008, in that its current liabilities exceeded its current assets, and continues to operate while insolvent.

III

By reason of the facts alleged in paragraph II herein, Respondent's financial condition does not meet the requirements of the Act as supplemented (7 U.S.C. § 204) and the regulatory guideline promulgated under it (9 C.F.R. § 203.10); and Respondent has willfully violated section 312(a) of the Act (7 U.S.C. § 213(a)) and 7 U.S.C. § 204.

WHEREFORE, it is hereby ordered for the purpose of determining whether Respondent

3

has in fact violated the Act, as supplemented, and the regulatory guideline issued thereunder, this

Complaint shall be served upon Respondent. Respondent shall file an answer with the Hearing

Clerk, United States Department of Agriculture, Washington, D.C. 20250, in accordance with the

Rules of Practice governing proceedings under the Act (7 C.F.R. § 1.130 et seq.) Failure to file

an answer shall constitute an admission of all the material allegations of this Complaint.

The Grain Inspection, Packers and Stockyards Administration (GIPSA) requests:

1. That unless Respondent fails to file an answer within the time allowed therefor, or

files an answer admitting all the material allegations of this Complaint, this proceeding be set for

oral hearing in accordance with the Rules of Practice governing proceedings under the Act; and

2. That such order or orders be issued, including orders requiring Respondent to

cease and desist from violating the Act with respect to the matters alleged herein, suspending

Respondent as a registrant under the Act, and assessing such civil penalties as are authorized by

the Act and warranted in the premises.

Done at Washington, D.C. this 28 day of July

mis 20 day of July

ALAN R. CHRISTIAN

Deputy Administrator

Packers and Stockyards Program

ERIC PAUL

Attorney for Complainant

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